

BEFORE THE IDAHO BOARD OF TAX APPEALS

IN THE MATTERS OF THE APPEALS OF ARNOLD)	APPEAL NOS. 06-A-2120
E. MARZ from the decision of the Board of)	AND 06-A-2121
Equalization of Blaine County for tax year 2006.)	FINAL DECISION AND ORDER

RESIDENTIAL PROPERTY APPEAL

THESE MATTERS came on for hearing October 18, 2006, in Hailey, Idaho, before Board Member David E. Kinghorn. Board Member Lyle R. Cobbs participated in this decision. Appellant Arnold Marz appeared for himself. Assessor Valdi Pace and Appraiser Nina Orvik appeared for Respondent Blaine County. These appeals are taken from a decisions of the Blaine County Board of Equalization denying the protest of the valuation for taxing purposes of properties described as Parcel Nos. RP002700000020A and RP002700000030A.

The issue on appeal is the market value of residential property.

The decisions of the Blaine County Board of Equalization are affirmed.

FINDINGS OF FACT

Parcel No. RP002700000020A

The assessed land value is \$388,700. Appellant requests the land value be reduced to \$277,625.

Parcel No. RP002700000030A

The assessed land value is \$388,700. The improvements valuation is \$240,210, totaling \$628,910. Appellant requests the land value be reduced to \$277,625, and the total value be reduced to \$517,835. The improvements are not being contested.

The subject properties are two adjoining residential lots, one .97 acres and the other .98 acres in size. Subjects are located in Heatherlands subdivision near Hailey, Idaho.

Appellant claimed the 69% assessment increase was excessive. Appellant challenged Respondent's sales because two were from nearby Coyote Bluff Subdivision, which was argued to be superior to subjects' subdivision and therefore not comparable. To support this position, a number of items were mentioned, such as; Coyote Bluff was a smaller and more exclusive subdivision, it surrounded a pond, it was further from the highway, and it was not adjacent to the road leading to the county dump. Appellant spoke to a local realtor who agreed the subdivisions are not comparable.

Appellant reasoned that because the Coyote Bluff sales should not be considered, there was not enough sales data to accurately determine market value of subjects. Appellant also stated the sale in subjects' subdivision was inflated and should be given less weight. For these reasons, Appellant proposed sales from prior years be used to calculate a trend rate, which could then be applied to subjects.

Respondent provided four 2005 sales similar in size to subjects that ranged from \$399,000 to \$429,000. The sales included one from subjects' subdivision, one from an adjacent subdivision, and two from Coyote Bluff Subdivision. Respondent defended the Coyote Bluff sales by noting the comparability of amenities provided in subjects' subdivision, such as; a common horse pasture and loafing sheds, a recreation center, tennis courts, and a swimming pool. Respondent acknowledged differences between the subdivisions but argued the amenities offered by both offset any deficiencies in either. Respondent maintained the sales were good indicators of market value and fairly compared to subjects.

CONCLUSIONS OF LAW

This Board's goal in its hearings is the acquisition of sufficient, accurate evidence to support a determination of fair market value. This Board, giving full opportunity for all arguments

and having considered all testimony and documentary evidence submitted by the parties in support of their respective positions, hereby enters the following.

In assessing property for the purpose of taxation, Idaho employs the market value approach as defined in Idaho Code § 63-201(10):

“Market value” means the amount of United States dollars or equivalent for which, in all probability, a property would exchange hands between a willing seller, under no compulsion to sell, and an informed, capable buyer, with a reasonable time allowed to consummate the sale, substantiated by a reasonable down or full cash payment.

Appellant contended a trend should have been applied to subjects’ 2005 assessed values because there were not enough comparable sales to support subjects’ excessive increase. It was argued that trending would dampen the effect of outlying or inflated sales, resulting in a more accurate view of the market.

Respondent provided several sales of lots similar in size and located near subjects.

It is well established that sales are the best indicator of market value. In the absence of recent and proximate sales, trending is considered an acceptable method to determine market value. In this case, recent sales were provided that seem to support subjects’ assessments.

Appellant claimed sales from Coyote Bluff Subdivision should not have been used because they are not comparable to subjects.

Respondent argued that while differences existed between the subdivisions, the amenities offered by both offset the detriments.

There are no doubt differences between the subdivisions, but this is likely the case when comparing any two subdivisions. It does not appear, however, the differences in this case rise to a level that would render one subdivision clearly inferior to the other.

Considering the evidence provided in this matter, the Board finds no error in the method used to value subjects. The sales indicate the assessments were fair and reasonable. As such, the decisions of the Blaine County Board of Equalization are affirmed.

FINAL ORDER

In accordance with the foregoing Final Decision, IT IS ORDERED that the decisions of the Blaine County Board of Equalization concerning the subject parcel be, and the same hereby are affirmed.

DATED this 9th day of April, 2007.